

This record is a partial extract of the original cable. The full text of the original cable is not available.

290359Z Jul 03

UNCLAS SECTION 01 OF 04 KATHMANDU 001414

SIPDIS

E.O. 12958: N/A

TAGS: [OPRC](#) [PGOV](#) [PREL](#) [KMDR](#) [NP](#)

SUBJECT: WEEKLY NEPAL MEDIA REPORT: JULY 22 - 28, 2003

- STATE FOR NP, AC, PM
- STATE FOR IN/R/MR
- STATE FOR SA/INS, PM/CBM, PM/PRO
- STATE FOR SA/PPD

1. PEACE TALKS

-- Minister denies government agreed to restrict army: Finance Minister Dr. Parakeet Chandler Lorain said (7/27) the previous talk team of the government had not committed to restrict the army within five kilometers of the barracks and that the best thing was to sit down for talks rather than communicating through letters. (centrist "Kantipur," V/D, 7/28)

-- Maoists send response letter to government: The Maoists have sent a response letter to the government with five conditions and a five-day ultimatum. The conditions include the compliance by the army with all agreed-upon decisions so far. The so-called five-year antiterrorism treaty with the U.S. should be annulled and all the U.S. military advisors and experts should be expelled from the country. The political agenda proposed by the former government should be publicized. (independent "Nepal Samacharpatra," V/D, 7/28)

-- Government proposes third round talks by mid-August: The government dispatched (7/25) a 14-point letter to the Maoists with a proposal to hold the third round of formal talks by mid-August. (government media, 7/26)

-- U.S. is here for business, nothing else: U.S. Embassy spokesperson: Amid allegations of excessive interest and intervention in the internal matters of the country, the United States has said she wants peace in Nepal so that the nation can attract more U.S. investment. "All we have been saying is that we want peace so that we can urge American businesses to invest in Nepal," director of American Center, Constance Colding Jones told "The Himalayan Times." She said America wants the Maoists to behave "like a regular political party" and stop indulging in killings, kidnappings, extortions and threats. "Our only concern is that we do not want to have yet another hotspot in this area," said Jones. "We also have to protect our own interests here in Nepal," she said referring to the investment of over US\$ 700 million through the USAID over the past 50 years. Jones dismissed the Maoists' allegation that the U.S. is intervening too much in Nepal, saying the joint military exercises by the armies of the two countries have nothing to do with the rise of Maoists' rebellion and is a part of the "regular trainings that have been going on for over 10 years". (pro-India "Himalayan Times," E/D, 7/27)

-- Government establishes "contacts" with Maoists: Amidst apprehensions that the Maoists may call off the six-month long truce and resort to violence again, the government today made "informal" contacts with them. "We have had an informal contact with them," a government source told "The Kathmandu Post." "We have received a positive message from the Maoists that they will respond to our last week's letter within two to three days." (Major newspapers, 7/22)

-- Five democracies urge Maoists to end "extortions": The Industrial Security Group (ISG), a consortium of five major democracies including USA, UK, France, Germany and India, has asked the Maoists to give up "criminal extortions" and sincerely pursue the peace process. It was on the statement issued here today (7/21) by the British Embassy, on behalf of the ISG. (centrist "Kathmandu Post," E/D, and "The Himalayan Times," 7/22)

-- Government must express its regrets: Maoists: The Maoists informed that they would open both the contact office and the office of its student wing, provided the government regretted the arrest of Bharat Dhungana, secretary at the Maoists contact office. The general

SIPDIS

secretary of the Maoists' student wing said that the

SIPDIS

Maoists would immediately open their office and they would even reply to the letter sent by the government if the latter "repented" in public. ("Kantipur," 7/23)

-- Government assures full security to Maoists: Urging Maoists to reopen the Kathmandu contact office, Information Minister and talks-convenor Kamal Thapa said Tuesday government will provide full security to Maoist negotiators and is committed to peace talks. (Major Newspapers, 7/23)

-- Maoists send "tough" letter to govt.: The Maoists, in their letter, have demanded immediate implementation of the decisions reached during the second round of peace talks. They have stated, "if the government does not do so, we will suppose the government has unilaterally broken the ceasefire and left the peace process." In particular, the letter demanded to limit army within five kilometers periphery of the barrack. This was one of the agreements reached between the Lokendra Bahadur Chand government and the Maoists. On the King's role, the letter said the talks are getting momentum due to the King, who is "playing foul from behind the curtains". "The King should, either get involved in the peace talks directly, or stop playing foul by granting formal authority to the government to hold talks," said the letter. (Major newspapers, 7/24)

12. MAOIST ACTIVITIES

-- U.S. refutes Maoists' allegations: The U.S. embassy has refuted recent allegations made by the Maoists that there were linkages between the Royal Nepal Army and the U.S. Army. "There is no existence of American military personnel in Nepal. Only two army liaison officers are in the American embassy here," said Constance Jones, the director of the American Center, Kathmandu. Jones stressed on talks to find a peaceful solution of the present problem. She reiterated that there would be no change in American policy if the Maoists continue with their extortion, murders and kidnappings. (government-owned "Rising Nepal," E/D, 7/26)

-- Home Ministry, Maoists deny attacks: In two separate statements, Home Ministry and Maoists have denied reports of attacks on Sugauli Customs Police Post. Various published reports said Monday armed-Maoists attacked the police post looting half a dozen weapons. (Media reports, 7/22)

-- Maoist cadres want revival of peace process: Hardly a day had expired after the Maoists closed down their contact office in Kathmandu and announced that its leaders were going underground due to security concerns, many rank and file Maoist cadres held corner meetings in various districts arguing for the need to continue the peace process. ("The Kathmandu Post," 7/22)

-- Maoists loot solar panels: A large group of armed Maoists looted two solar panels connected to the repeater tower of the Nepal Telecommunication Corporation (NTC) in Kapilvastu district this morning, confirmed a guard stationed at the tower. ("Kantipur," 7/24)

13. NEPAL-U.S.

-- Garment bill gets U.S. green signal: Following the Foreign Secretary Madhu Raman Acharya's week-long visit to Washington, U.S. Senator Dianne Feinstein has agreed to move ahead with the bill favoring Nepali garments in the U.S. market. However, her spokesman, Scott Gerber, stressed that the senator will stand firm on moving ahead with the bill only on the condition that incidents like the May deportation "don't happen again." Nepalese-made garments are currently subjected to an average tariff rate of 18 percent in the U.S., which absorbs up to 80 per cent of the garments manufactured in Nepal. The enactment of the bill would pave the way for duty and quota free access for a two-year period. (Compiled from major dailies, 7/27)

-- Nepali team requests U.S. to pass bill on garments:

A Nepali delegation led by Madhu Raman Acharya, secretary at the Ministry of Foreign Affairs, met E.

SIPDIS

Ashley Wills, Assistant U.S. Trade Representative and Cecilia Leahy Kleln, Director, WTO Accession and requested them to pass the bill on Nepali garments at the U.S. Senate soon. The bill was withdrawn from the

Senate last month on the grounds of Nepal's deportation of 18 Tibetans to China. ("The Kathmandu Post" & "The Himalayan Times," 7/24)

14. BHUTANESE REFUGEES

-- India disagrees U.S.'s assertion: India has disagreed the U.S.'s remarks that India's role was compulsory for the resolution of the Bhutanese refugee crisis. Indian Embassy First Secretary Sanjay Verma said "bi-lateral talks is the appropriate medium"... "since the affairs is between the two countries [Nepal and Bhutan]. (centrist "Rajdhani," V/D, 7/27)

-- Bhutan in "no mood" to take back refugees: Hiram A. Ruiz, the Director of Communications of the U.S. Committee for Refugees (USCR) pointed out that in light of the "obstinate position" of the Druk government on the issue of taking back the refugees, the international community had the responsibility to resettle the refugees in the third world countries. Speaking to "The Kathmandu Post" after his three-day visit to the four refugee camps in eastern Nepal, Ruiz said, "Given the obstinate position of the Bhutanese government, the repatriation of the refugees at this point seems impossible." He added that it was highly likely that Bhutan would make it impossible for the refugees to return to their homeland. ("The Kathmandu Post," 7/27)

-- Editorial on USCR Director's remarks: The USCR Director's remarks, in fact, reinforced the views held by many that Bhutan is not playing a fair game. The Khudunabari verification showed that the majority of the refugees (about 76 percent) are genuine Bhutanese but Bhutan has found one reason or another to refuse them their right to return home. Indeed, over 70 percent of the verified refugees are Bhutanese who sought refuge "voluntarily". The USCR Director's plea to involve India in repatriating the refugees to their homeland needs to be taken seriously by New Delhi. In fact, unless the parties involved along with countries and agencies concerned such as UNHCR are able to reach an agreement satisfactory to the refugees, the situation is bound to become murkier. (Editorial in the "Kathmandu Post," 7/28)

-- Druk regime on "ethnic cleansing" drive?: At a time when the Bhutanese refugee issue has raked up an international storm, a new controversy has come to the fore with the Druk government issuing an order to demolish all the Nepali style houses in Southern Bhutan and replace them with Buddhist style houses. ("Kantipur," 7/27)

-- U.S. government to be briefed on Bhutanese refugees: Two senior officials of U.S. Refugee Committee will soon visit Bhutanese refugee camps and will brief the U.S. government on the real situation of Bhutanese refugees. ("Kantipur," 7/22)

-- Refugee categorization: A Nepali, Bhutani joint verification team is expected to complete its work on appeals of a controversial categorization of Bhutanese refugees for repatriation by July 31, Foreign Ministry Spokesman Dr. Madan Bhattarai said. (centrist "Annapurna Post," V/D, 7/24)

-- U.S. member visits camp: Senior member of the U.S. Refugee Committee Hiram Ruij visited the Bhutanese refugee camps. Sources claimed the U.S. visitor had a meeting with donor agencies involved in the upkeep of refugees. ("Kantipur," 7/24)

15. OTHERS

-- Din of protests against India's "unilateral act": Over 100 people, representing various social and student organizations, staged protest in the capital today condemning India's unilateral construction of Mahalisagar Bund and encroachment of Nepali land on the international border. ("The Kathmandu Post," 7/26)

MALINOWSKI